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Appl. No. 10/767,034 Amdt. Dated August 14, 2008 Reply to Office Action of May 14, 2008

REMARKS

This is a full and timely response to the Office action mailed May 14, 2008.

Reexamination and reconsideration in view of the foregoing amendments and following remarks is respectfully solicited.

Claims 3-4, 5-8, 10-11, 13, 16-21, 22-23, 30-38 and 40-46 are now are pending in this application, with claims 5, 8, 18, 21, 32, and 35 being the independent claims.

Claims 18, 21, 32 and 35 have been amended. No new matter is believed to have been added.

Claim Objections

In the office action, claims 30-38 and 40-42 were objected to as not being a proper program product claim. Accordingly, applicants have amended claims 32 and 35 as suggested by the Examiner. Applicants thus submit that this objection has been overcome.

Claim 47 was objected to for improper numbering. As suggested by the Examiner, applicants have renumbered this claim as claim 46. Applicants thus submit that this objection has been overcome.

Rejections under 35 U.S.C. §101

In the office action, claims 16-23, 25 45 and 47 were objected to as being directed toward non-statutory subject matter. In making this objection, the Examiner stated that the claims appear to be merely directed toward a mathematical algorithm, and stated that the claimed process must contain a sufficient tie to a machine. Accordingly, applicants have amended independent claims to clarify the application of the recited methods. Specifically, claim 18 has been amended to recite that the method generates an estimated trend of the data set for fault detection in the physical system. Likewise, claim 21 has been amended to recite that the method generates a filtered estimate of the data set for fault detection in the physical system. As described in applicants' specification, fault

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detection methods are used to detect potential faults in physical systems before those potential faults can lead to failures in the system. Applicants thus submit that amended claims 18 and 21 meet the requirements of section 101. Furthermore, as dependent claims 16, 17, 19, 20, 22-23, 25 45 and 47 depend from, and include the same limitations, they are also submitted to meet the requirements of section 101.

Conclusion

Based on the above, the claims are all in condition for allowance. The other art of record is also not understood to disclose or suggest the inventive concept of the present invention as defined by the claims.

Hence, Applicant submits that the present application is in condition for allowance. Favorable reconsideration and withdrawal of the objections and rejections set forth in the above-noted Office Action, and an early Notice of Allowance are requested.

If the Examiner has any comments or suggestions that could place this application in even better form, the Examiner is requested to telephone the undersigned attorney at the below-listed number.

If for some reason Applicant has not paid a sufficient fee for this response, please consider this as authorization to charge Ingrassia, Fisher & Lorenz, Deposit Account No. 50-2091 for any fee which may be due.

Respectfully submitted,

INGRASSIA FISHER & LORENZ

Dated: August 14, 2008

S. Jared Pitts

(480) 385-5060